



DONELAN CLEARY
WOOD & MASER, P.C.

RECORDATION NO. 21438-D

FILED

FEB 4 '99

3-15 PM

February 3, 1999

Recordation No. 21438-D

Dear Mr. Williams:

On behalf of Flex Leasing I, LLC, I submit for filing and recording under 49 U.S.C. § 11301(a) and the regulations applicable thereunder, executed counterparts of a secondary document, not previously recorded, entitled Memorandum of Partial Assignment of Lease ("Partial Assignment").

The parties to the enclosed Partial Assignment are:

Flex Leasing Corporation
Suite 300
234 Front Street
San Francisco, CA 94111

- ASSIGNOR/LESSOR

Flex Leasing I, LLC
Suite 300
234 Front Street
San Francisco, CA 94111

- ASSIGNEE/SUCCESSOR
LESSOR ONLY AS TO
DESIGNATED UNITS

The said Partial Assignment, among other things, acts to assign from the Assignor to the Assignee the Assignor's right, title and interest in the said lease only as to the units of equipment covered in the Partial Assignment.

The equipment covered by the Partial Assignment is only the equipment covered therein.

A short summary of the Partial Assignment to appear in the Surface Transportation Board Index is as follows:

"Assigns only 185 hoppers, FLCX 100-284, and 49 covered coil cars, CSXT numbers, in Annex A."

Please enter under this Recordation No. the following cross index reference:

"See Recordation No. 21888-B."

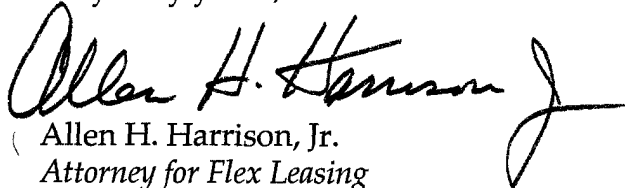
ATTORNEYS AND COUNSELORS AT LAW

1100 New York Avenue, Suite 750, N.W., Washington, D.C. 20005-3934, Tel: 202-371-9500, Fax: 202-371-0900

Enclosed is a check in the amount of fifty-two dollars (\$52.00) in payment of the filing fee (\$26.00) and the cross indexing fee (\$26.00).

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter/fee receipt from the Surface Transportation Board acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,

A handwritten signature in black ink, reading "Allen H. Harrison, Jr.", with a long, sweeping horizontal line extending to the right.

Allen H. Harrison, Jr.
*Attorney for Flex Leasing
I, LLC, for the purpose
of this filing.*

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423
Enclosures

BY HAND

8207-020

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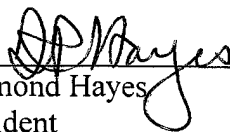
MEMORANDUM OF PARTIAL ASSIGNMENT OF LEASE

FLEX LEASING CORPORATION filed (i) that certain Memorandum of Lease with (a) the Surface Transportation Board (the "STB"), Recordation No. 21438, on May 28, 1998 and (b) the Registrar General of Canada (the "RGC") on the 29th day of May, A.D. 1998 at 2:55 p.m.; (ii) that certain Memorandum of Supplement with (a) the STB, Recordation No. 21438-A, on August 31, 1998 at 2:45 p.m. and (b) the RGC on the 2nd day of September, A.D. 1998 at 1:20 p.m. and (iii) that certain Memorandum of Supplement with (a) the STB, Recordation No. _____, on _____, 199_ and (b) the RGC on the ____ day of _____, 199_ at _____, relating to the lease described below:

That certain lease (the "Lease") dated as of May 28, 1998, between **FLEX LEASING CORPORATION**, a Delaware corporation ("Flex"), having its chief executive office at 234 Front Street, Suite 300, San Francisco, California 94111, and **CSX TRANSPORTATION, INC.**, a Virginia corporation ("Lessee"), having its chief executive office at 500 Water Street, J-220, Treasury Department, Jacksonville, Florida 32202, Schedule No.01 ("Schedule 1") dated as of May 28, 1998 by and between Flex and Lessee, Schedule No.03 ("Schedule 3") dated as of November 2, 1998 by and between Flex and Lessee, and Schedule No.05 ("Schedule 5") dated as of December 9, 1998 by and between Flex and Lessee.

On February 4, 1999, Flex assigned all of its right, title and interest in, to and arising under the Lease (with respect to only Schedule 3 and Schedule 5 and all equipment leased thereunder), Schedule 3 and all equipment leased thereunder, Schedule 5 and all equipment leased thereunder to **FLEX LEASING I, LLC**, a Delaware limited liability company ("Lessor") having its chief executive office at 234 Front Street, Suite 300, San Francisco, California 94111, pursuant to the Sale, Assignment and Assumption Agreement (the "Assignment") by and between Flex and Lessor, which Lease and Assignment cover the railcars listed on Annex A attached hereto.

FLEX LEASING I, LLC


Desmond Hayes
President

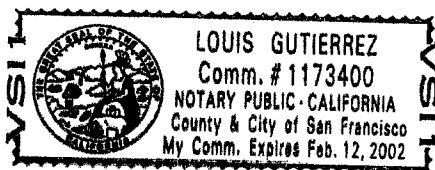
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STATE OF CA)
COUNTY OF SF) ss:

On this 1 day of February, 1999, personally came before me, Desmond P. Hayes, who, being by me duly sworn, says he is President of Flex Leasing I, LLC and that said writing was signed on the date hereof by him on behalf of said corporation by its authority duly given. And the said President acknowledged the said writing to be the act and deed of said corporation.

Witness my hand and notarial seal this 1 day of February, 1999.

SEAL



Louis Gutierrez
Notary Public
My Commission Expires: 2/12/2002

ANNEX A

Description of Equipment

One Hundred Eighty-Five (185) 4,000 Cu. Ft. Rapid Discharge Hoppers numbered:

FLCX 100-284

And

Forty-Nine (49) covered coil railcars numbered:

CSXT 495310 through 495333 inclusive

CSXT 495335 through 495359 inclusive

[CSX]